

Message Text

LIMITED OFFICIAL USE

PAGE 01 LISBON 03208 301006Z

50

ACTION EUR-25

INFO OCT-01 ISO-00 FEA-02 AEC-11 AID-20 CEA-02 CIAE-00

CIEP-03 COME-00 DODE-00 EB-11 FPC-01 H-03 INR-11

INT-08 L-03 NSAE-00 NSC-07 OMB-01 PM-07 RSC-01 SAM-01

SCI-06 SP-03 SS-20 STR-08 TRSE-00 FRB-03 DRC-01 NEA-14

AF-10 /183 W

----- 036432

R 300853Z JUL 74

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 0131

INFO AMCONSUL OPORTO

LIMITED OFFICIAL USE LISBON 3208

E.O. 11652: N/A

TAGS: EIND, BDIS, ENRG, PO

SUBJ: GASOLINE DISTRIBUTING COMPANIES TO PAY

HIGHER SUMS TO DEALERS

REF: LISBON 2916 OF AUGUST 6, 1973

1. THE GOVERNMENT HAS AUTHORIZED GASOLINE DEALERS TO RETAIN, AS OF AUGUST 1, 50 CENTAVOS (APPROXIMATELY 2 U.S. CENTS) PER LITER OF GASOLINE SOLD INSTEAD OF THE 40 CENTAVOS PRESENTLY AGREED TO. (THE GOVERNMENT ALSO AUTHORIZED DEALERS AN INCREASE ON GAS OIL.)

2. INASMUCH AS THE PRICE OF GASOLINE REMAINS FROZEN, THE INCREASE OF 10 CENTAVOS WILL BE PAID BY THE PETROLEUM DISTRIBUTING COMPANIES. ACCORDING TO A REPRESENTATIVE OF MOBIL, THIS INCREASED PAYMENT MEANS A SUBSTANTIAL CUT IN THEIR REVENUES. THE DISTRIBUTOR COMPANIES, HE SAID, WERE UNABLE TO HOLD OUT AGAINST THE GOVERNMENT BECAUSE SACOR, A PORTUGUESE FIRM IN WHICH THE GOVERNMENT HAS LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LISBON 03208 301006Z

ONE-THIRD OWNERSHIP, BROKE THE COMMON FRONT.

3. COMMENT: GASOLINE DEALERS HAVE FOR SOME MONTHS BEEN WAGING A CAMPAIGN FOR HIGHER REMUNERATIONS. THEY WON AN INCREASE IN JUNE WHEN THE GOVERNMENT ITSELF AGREED TO FINANCE AN INCREASE OF 20 CENTAVOS PER LITER. THIS TIME, HOWEVER, THE INCREASE COMES OUT OF THE HIDES OF THE DISTRIBUTING COMPANIES. ALTHOUGH THE RULING IS APPLICABLE TO INTERNATIONAL AND DOMESTIC FIRMS ALIKE, THE INTERNATIONALS SEE IT AS A FURTHER STEP TO PUSH THEM OUT OF PORTUGAL. THEIR REASONING IS THAT THE INTERNATIONALS ARE DISPROPORTIONATELY AFFECTED BY ANY DECISION THAT REDUCES EARNING CAPACITY SINCE THE GOVERNMENT HAS LIMITED THEIR SHARE OF THE MARKET (SEE REFTEL).
POST

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM PRODUCTS, NATIONALIZATION, PETROLEUM CONCESSIONS, BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LISBON03208
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740206-0758
From: LISBON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974077/aaaaafgx.tel
Line Count: 76
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: LISBON 2916 OF AUGUST 6, 1973
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 31 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <31 MAY 2002 by ifshinsr>; APPROVED <24 FEB 2003 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GASOLINE DISTRIBUTING COMPANIES TO PAY HIGHER SUMS TO DEALERS
TAGS: EIND, BDIS, ENRG, PO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005